

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C.**

In the Matter of:
Request for Waiver of the
Invoicing Deadline

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CC Docket No. 02-6

By:

Manchester School District
Manchester, New Hampshire

TO: Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street SW
Washington, D.C. 20554

Introduction and Background:

The Manchester School District (Manchester), respectfully requests that the Federal Communications Commission (FCC or Commission) grant an invoice extension request for funding request number (FRN) 2633230 on FCC Form 471 application 940513 for Manchester.

Specifically, the District is requesting an invoice extension request because we never received the original Billed Entity Applicant Reimbursement (BEAR) denial letter in order for us to resubmit the invoice before the deadline. Additionally, the original denial was due to inaction by the service provider as opposed to inaction by the district.

Background and Discussion:

On December 16, 2015, USAC sent a BEAR Notification Letter addressed to our consultant and mailed it to an address, 10238 Squires Way, Cornelius, NC 28031, that has not been used for almost two years.¹ The letter references Invoice Number 2303270 pertaining to FRN 2633230

on FCC Form 471 application 940513, stating that zero dollars were disbursed because the Service Provider was not certified. Please note that the service provider, Single Digits, Inc. (Service Provider Identification Number [SPIN] 143035518), filed the Service Provider Annual Certification (SPAC) for FY 2014-15 on January 20, 2016, therefore was filed prior to February 25, 2016, which was the last date to invoice. If the District had received the original BEAR Notification Letter that was sent on December 16, 2015, there would have been plenty of time to file a new BEAR before February 25, 2016.

Attached is evidence that Schools and Libraries (SLD) received return mail in the past from the old address, 10238 Squires Way, Cornelius, NC 28031.² The correct address is PO Box 1403, Cornelius, NC 28031. It is unclear why SLD did not go through the returned mail process and redirect or forward the notification letter to the correct address.

Finally, once Manchester became aware of the lost BEAR notification letter, we submitted an invoice deadline extension request on May 4, 2016³ for FRN 2633230 on FCC Form 471 application 940513, but it was dismissed by SLD on May 25, 2016⁴ for the following reasons: "Current deadline extension rules and procedures do not allow approval for the reason submitted."

On June 3, 2016, we submitted an appeal to USAC in order to appeal SLD's decision regarding the invoice deadline extension request.⁵ USAC denied our appeal on August 8, 2016, as a result, we are writing this appeal to the FCC⁶.

The invoice denial was no fault of the district and the district should not be penalized for SLD not following its returned mail procedure or because the service provider failed to take appropriate action. Had USAC reached out during the invoice process, we would have gladly reached out to the service provider to have them submit the missing FCC Form 473 information to USAC. The invoicing process, arguably the most critical part of the process, is the only part of the E-rate program where USAC does not proactively work with applicants to correct ministerial or clerical errors. Given the harsh deadlines of the invoicing process it hard to understand why USAC would not apply procedures that would help facilitate the approval and payment of invoices.

¹ See Attachment 1 for BEAR Notification Letter dated December 16, 2015.

² See Attachment 2 for evidence of returned mail.

³ See Attachment 3 for Invoice Deadline Extension Request dated May 4, 2016.

⁴ See Attachment 4 for SLD Invoice Deadline Extension Notification dated May 25, 2016.

⁵ See Attachment 5 for USAC appeal letter dated June 3, 2016.

⁶ See Attachment 6 for USAC appeal denial letter dated August 8, 2016.

Additionally, the FCC Form 472 is flawed because there is no place on the form to enter the address for the contact person. If the BEAR Form did have a space to enter the contact person address, the denial letter would have reached the appropriate party.

Over the last two years the district has submitted many forms to USAC; therefore, USAC should have had the correct address of our consultant.

The recent codification of the invoicing deadlines makes this type of outreach imperative for the effective operation of the program and to ensure fewer dollars are unclaimed. Schools are in desperate need of funding and E-rate is a vital source of such funding. USAC and the FCC have taken great strides in making the commitment process easier, but unfortunately the invoicing process remains very complicated with harsh deadlines and little direct applicant notice from the administrator.

Reducing the percentage of unused funds has always been a topic raised in Government Accountability Office (GAO) reports on the E-rate program. Specifically, the GAO recommended that the FCC provide information on the “actions taken to reduce the amount of undisbursed funding and the outcomes associated with these actions.”⁷ It appears that strict adherence to these deadlines with limited notice from the administrator would be an impediment to achieving the goal of reducing undisbursed funds.

Summary:

Manchester truly appreciates the hard work FCC staff and USAC has put into modernizing the E-rate program and understands the challenging policy decisions that must be made. It is our belief that the invoicing process should function in a manner more similar to the rest of program. We believe that USAC should make every effort to confirm receipt when trying to make contact with applicants if a service delivery or invoicing deadline is about to be missed or has been missed. We also would like USAC to consider reaching out for additional information before sending a zero funded BEAR notification letter. The level of outreach USAC does relating to Form 470, Form 471, and Form 486 deadlines should be mirrored by the invoicing process. We suspect that this would reduce the number of appeals USAC and the FCC will receive and also increase the percentage of committed funds that are ultimately disbursed.

As a result of these matters, the district is requesting more time to resolve the outstanding invoicing issues.

We respectively disagree with SLD’s decision to deny the invoice deadline extension request and believe the district should not be penalized because USAC did not mail the correspondence to the correct address. We strongly urge the FCC to consider taking action on the State E-rate Coordinators’ Alliance (SECA) petition for reconsideration and petition for omnibus waiver of

⁷ See Recommendations for Executive Action on page 50 of GAO 09-253.

invoice deadline regulation and petition for rulemaking to revise invoice deadline regulation.⁸ Please extend the invoicing deadline so the district can be reimbursed for their eligible services that have already been paid for by the district.

Thank you for your consideration of the appeal.

Sincerely,



Karen DeFrancis
Business Administrator
Manchester School District

⁸ See <https://ecfsapi.fcc.gov/file/60001841614.pdf> for SECA Docket No. 02-6.